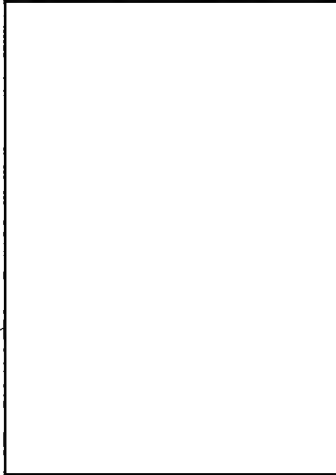


11 December 1975

MEMORANDUM FOR: DDCI



Herewith Option X as approved by the DCI this afternoon. He made very minor changes to the lunch-time draft, but wants this included in the [redacted] paper. I suggested instead that we discuss tactics at the 9 o'clock tomorrow, and have asked [redacted] to ensure that [redacted] paper is held open for this option if the DCI so decides at that time.



RICHARD LEHMAN

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Option X - CIA EmphasisRationale

This Option starts from the premise that CIA is a vital national asset that must be preserved and, if possible, strengthened. It recognizes that the DCI's power rests primarily on CIA, and that his authority over the Community, except for CIA, is limited. It assumes it will remain so. Under these circumstances his efforts to provide vigorous Community leadership conflict with his interests as Director of CIA. This option seeks to ameliorate this conflict by making a clear distinction between these two roles, and by providing a spokesman for CIA interests. At the same time it recognizes that effective Community management can only be achieved by a collective effort of the agencies involved, and presents a new concept of how this might be done.

Description

The DCI would remain Director of CIA, but would be provided with an additional Deputy, appointed by the President and confirmed by Congress. The present Deputy would be a civilian specifically responsible for managing the Agency under the DCI; the other Deputy would be

responsible under the DCI for coordination of the Community. The DCI would have an Agency office at Langley and a Community office downtown, where his Community Deputy would be located.

The DCI would be the President's chief intelligence advisor, and would be a member of the NSC.

The DCI would chair an NSC Executive Committee for Intelligence, with Deputy Secretaries of State and Defense as members. The Committee would have under control of its members all important intelligence assets, and could act as a board of directors for national intelligence. It would not be advisory to the DCI but would work by consensus, with right of appeal to the President. EXCOM(I) would absorb the functions of NSCIC, EXCOM (NRO plus equivalent responsibilities for NSA), IRAC, and USIB (except national intelligence production*). It would in addition coordinate policy matters affecting State and the Community.

The DCI's "Community" Deputy would be his alternate in EXCOM(I) but would not serve as Chairman in his absence. The IC Staff would be the secretariat of EXCOM(I). The DCI would carry out his existing responsibilities for the NFIP (less its tactical and departmental components) with the assistance of the Committee. EXCOM(I) would

* It would be inappropriate for policy officers to participate in substantive intelligence judgments.

have approval authority for the NFIP (CIA, NRO, NSA) and its decisions would be binding. The DCI would have administrative authority only over CIA. Present administrative arrangements for the NRP and NSA would be preserved.

USIB would be reconstituted as a National Intelligence Board, responsible only for production, and advisory to the DCI. The NIO's would act as the DCI's staff for the NIB. The Board would be chaired by the DCI, with his "Agency" Deputy as CIA member. The latter would serve as chairman in his absence. Under the policy direction of USNIB, the Deputy would become Executive Agent for production of the full range of national intelligence, drawing on departmental agencies as required and submitting products for coordination as USNIB directs. (The Board might even be thought of as sort of a Board of National Estimates).

The DCI would be a member of the 40 Committee, but not its Chairman, with his Agency Deputy as alternate. Clandestine collection and covert action would remain assigned to CIA, without change in present arrangements.

Without administrative authority over the Community, it would be inappropriate for the DCI to have an IG responsibility except over CIA. This Option assumes an oversight mechanism at the NSC or White House level.

The DCI would continue to be the Community spokesman to Congress.

EXCOM(I) would handle matters relating to the relationship between tactical and national intelligence. The DCI would have no responsibility for the tactical intelligence budgets of the military services, or for the service cryptologic agencies.

Other Considerations

By stipulating that the DCI will coordinate policy and manage production, this Option recognizes reality and at the same time strengthens the DCI in his strong suit. Management issues usually involve the allocation of resources. It is here that the interests and weight of Defense are most important. Also these issues require decisions; once the money is spent the existence of a dissent carries no weight. Thus it is here that the DCI must be most ecumenical if he is to avoid charges of "partiality" to CIA.

Production issues are quite different. Here the DCI is supposed to be objective and free of departmental bias, and CIA's production elements are precisely the instruments whereby he is supposed to achieve this objectivity. Moreover, they are fully capable of holding their own against Defense. If the DCI is to be objective,

he must rely on and be "partial" to CIA. Here too, moreover, the right of dissent is effective; the DCI's judgment is permanently accompanied by any alternate views. The DCI is therefore able to take a much stronger position.

Option X - CIA Emphasis

Rationale for this Option (Internal Use Only)

1. CIA is a vital national asset.
2. The DCI's control of CIA enables him to make a substantive impact at the NSC level and to be the covert action arm of the NSC. These two elements, along with his special position in the NRP, are the essential underpinnings of his power position.
3. The DCI's authority over the Community remains minimal. His efforts over the past two years to exert Community leadership have required that he not be a vigorous advocate of CIA's interests and have demonstrated clearly that emphasizing his Community role creates a serious conflict of interest.
4. It is not possible to increase the DCI's power relative to Defense enough to enable him to "manage the Community substantially better than he now does. Under these circumstances it is essential that CIA be preserved and strengthened.

5. This option therefore seeks to increase the status of the DCI in any way that does not affect his control over or the strength of CIA. It leaves unaffected Defense's present control over most intelligence resources, but provides the DCI with somewhat stronger and more coherent coordinating machinery. It assumes that he will normally view his CIA responsibilities as taking precedence over his Community ones.

6. Within these limits, it seeks stronger collective management for the Community.

Description

The DCI would remain Director of CIA, but would be provided with an additional civilian Deputy, appointed by the President and confirmed by Congress. This Deputy would be specifically responsible for managing the Agency under the DCI; the other Deputy, by statute military, would be responsible under the DCI for coordination of the Community. (Question: should the DCI's priorities be made explicit by the relative rank of these two officers?) (Question: physical location of DCI?) (of Deputies?)

The DCI would be the President's chief intelligence advisor. (He would have cabinet rank, and be a member of the NSC?)

The DCI would chair an NSC Executive Committee for Intelligence, with deputy secretaries of State and Defense as members. The Committee would have under control of its members all important intelligence assets, and could act as a board of directors for national intelligence. It would not be advisory to the DCI but would work by consensus, with right of appeal to the President. EXCOM(I) would absorb the functions of NSCIC, EXCOM, IRAC, and USIB (except national intelligence production*). It would in addition provide policy direction for the CCP, coordinate matters between State and the Community.

The Deputy Chairman (Executive Secretary?) of EXCOM(I) would be the DCI's "Community" Deputy, and the IC Staff would be its secretariat. The DCI would carry out his existing responsibilities for the NFIP with the assistance of EXCOM(I). (Question: could EXCOM(I) be given approval authority for the NFIP?) He would have resource authority only over CIA. Present arrangements for the NRP would be preserved.

* It would be inappropriate for policy officers to participate in substantive intelligence judgments.

USIB would be reconstituted as a (Foreign Intelligence Board?) responsible for production. It would be chaired by the DCI, with his "Agency" Deputy as Deputy Chairman (Executive Secretary?) Under the policy direction of USFIB, the Deputy would become Executive Agent for production of the full range of national intelligence, drawing on departmental agencies as required and submitting products for coordination as USFIB directs.

The DCI would be a member of the 40 Committee, but not its Chairman, with his Agency Deputy as alternate. Covert action would remain a CIA function.

Without effective authority over the Community, it would be inappropriate for the DCI to have an IG responsibility except over CIA. This Option assumes an oversight mechanism at the NSC or White House level.

The DCI would continue to be the Community spokesman to Congress.

EXCOM(I) would handle matters relating to the relationship of tactical and national intelligence. The DCI would have no responsibility for the tactical intelligence budgets of the military services.

* The NIO's would logically come under this Deputy.

Other Considerations

By stipulating that the DCI will coordinate policy and manage production, this Option recognizes reality and at the same time strengthens the DCI in his strong suit. Management issues usually involve the allocation of resources. It is here that the interests and weight of Defense are most important. Also these issues require decisions; once the money is spent the existence of a dissent carries no weight. Thus it is here that the DCI must be most ecumenical if he is to avoid charges of "partiality" to CIA.

Production issues are quite different. Here the DCI is supposed to be objective and free of departmental bias, and CIA's production elements are precisely the instruments whereby he is supposed to achieve this objectivity. Moreover, they are fully capable of holding their own against Defense. If the DCI is to be objective, he must rely on and be "partial" to CIA. Here too, moreover, the right of dissent is effective; the DCI's judgment is permanently accompanied by any alternate views. The DCI is therefore able to take a much stronger position.